

GATT Lump Sum Factors for 2005

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The lump sum option is calculated based on the interest rate of 30-year Treasury Bonds. This rate is known as the General Agreement on Tariffs and Trades (GATT) and changes each year. The rate is based on Public Law 103-465, which prescribes interest and mortality assumptions used under Section 417(e) of the Internal Revenue Code for determining the amount of lump sum benefits in effect as of the prior year. If you choose an immediate lump sum, the lump sum benefit will be calculated using the current year's rate if the election is received at Benefits Administration by December 15 of this year. If you choose the lump sum option in the future, the lump sum benefit will be based on the rate in effect at that time, and may be greater than or less than the current benefit.

Multiply 1.6% x your average highest 60 months base salary x benefit years of service = your estimated age 65, 10 Year Certain and Life annuity. For example: .016 x \$3000 x 20 = \$960, payable at age 65, 10 Year Certain and Life.

Find your age for the year you are estimating, multiply the factor shown x the age 65 benefit. This will give you your pension lump sum, present value. For example: (age 50) 65.230 x \$960 = \$62,620.80 estimated lump sum, present value.

AGE	FACTOR	AGE	FACTOR
Factors are to be applied to monthly benefits amounts			
20	14.488000	55	84.470000
21	15.227000	56	89.029000
22	16.004000	57	93.873000
23	16.820000	58	99.032000
24	17.679000	59	104.535000
25	18.581000	60	110.415000
26	19.531000	61	116.709000
27	20.529000	62	123.468000
28	21.579000	63	130.742000
29	22.684000	64	138.599000
30	23.845000	65	147.105000
31	25.066000	66	144.132000
32	26.351000	67	141.161000
33	27.702000	68	138.193000
34	29.122000	69	135.229000
35	30.616000	70	132.281000
36	32.187000	71	129.358000

37	33.839000	72	126.479000
38	35.577000	73	123.667000
39	37.406000	74	120.935000
40	39.331000	75	118.295000
41	41.358000	76	115.762000
42	43.491000	77	113.347000
43	45.738000	78	111.071000
44	48.105000	79	108.945000
45	50.597000	80	106.980000
46	53.223000	81	105.182000
47	55.989000	82	103.557000
48	58.906000	83	102.105000
49	61.983000	84	100.821000
50	65.230000	85	99.702000
51	68.659000	86	98.742000
52	72.282000	87	97.932000
53	76.115000	88	97.263000
54	80.173000	89	96.719000